Urea Marketing Policy

1624. SHRIMATI KAMLA MANHAR:
SHRI DHARAM PAL SABHARWAL:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have recently reviewed the Urea Marketing Policy;

(b) if so, the details in this regard;

(c) whether under the new Urea Marketing Policy Government propose to permit open market sale of 50 per cent urea and to keep 50 per cent urea under controlled sale in the interest of farmer community;

(d) whether Government have constituted a committee to suggest measures for reviving sick/closed down urea plants and to set up new gas based/coal based urea plants in the country; and

(e) if so, the details thereof, showing composition, terms of reference and the stipulated period of submission of report?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) to (c) As per the New Pricing Scheme for urea units, which came into effect from 1.4.2003 replacing the erstwhile Retention Price Scheme, it was envisaged that decontrol of urea distribution/ movement will be carried out in a phased manner. During Stage-I of the Scheme, *i.e.* from 1.4.2003 to 31.3.2004, the allocation of urea under the Essential Commodities Act 1955 (ECA) was restricted upto 75% and 50% of installed capacity (as reassessed) of each unit in Kharif 2003 and Rabi 2003-04, respectively. It was further envisaged that during Stage-II commencing from 1.4.2004, urea distribution will be totally decontrolled after evaluation of Stage-I and with the concurrence of the Ministry of Agriculture.

On review of phased decontrol of urea distribution during Stage-I in consultation with the Ministry of Agriculture, it was decided to defer the total decontrol of urea distribution for a period of six months, *w.e.f.* 1.4.2004 *i.e.*, up to Kharif 2004. The total decontrol of urea distribution has now been deferred for a further period of six months *w.e.f.* 1.10.2004 *i.e.*, upto Rabi 2004-05.

(d) and (e) In view of the Government's Common Minimum Programme, the issue regarding the feasibility of revival of closed Fertilizer Public Sector Undertakings based on market demand and their techno-economic viability has been entrusted to Projects and Development India Limited. Separately, GAIL has initiated action for commissioning a detailed Feasibility Report Study for commercial implementation of Coal Gassification Process.

Restarting closed fertilizer industries

†1625. SHRI KALRAJ MISHRA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government propose to restart the closed fertilizers industries;

(b) if so, the steps taken in this regard;

(c) the total number of employees rendered jobless on account of closure of the said fertilizer industries; and

(d) by when the said fertilizer industries are proposed to be restarted separately?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) to (d) In the light of the Government's Common Minimum Programme (CMP), the issue regarding the feasibility of revival of the closed Fertilizer Public Sector Undertakings (PSUs) based on market demand and their techno-economic viability has been entrusted to Projects and Development India Limited (PDIL) , a Public Sector Undertaking under the administrative control of Department of Fertilizers.

(c) The sick fertilizer PSUs *viz.* Hindustan Fertilizer Corporation Ltd. (HFC); Fertilizer Corporation of India Ltd. (FCI), Pyrites, Phosphates & Chemicals Ltd. (PPCL) and a part of Projects and Development India Ltd. (PDIL) have closed as these were not found techno-economically viable. In pursurance of the Voluntary Separation Scheme (VSS) floated by these PSUs, 12,568 employees have been released on VSS as on 1.11.2004 by them.

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†Original notice of the question was received in Hindi.